

Date: October 14, 2022

To: Planning and Zoning Commission Members

From: Patrick R. Zenner, Development Services Manager

Re: Draft Regulations – Short-term Rentals

Attached please find the most current version of the draft regulations relating to short-term rentals. This draft was updated on October 13, 2022 to include definitions that were approved at the October 6, 2022 work session as well as recommends several corrections to definitions which are believed necessary to ensure consistency with other municipal code language.

The recommended corrections impact several previously approved definitions and are the result of greater Law Department review of the draft. The recommended corrections are identified in the "side-margin notes" with an explanation for the change and will need to be reapproved. Additionally, staff has revised and "cleaned-up" the definition for a Tier 3 STR to encapsulate what it believes is the desire of the Commission. The definition includes criteria "A" and "B" which better define how principal and secondary dwellings with respect to their ownership status make a Tier 3 STR different from the other STR Tiers.

The updated draft also includes several additional technical corrections to ensure that the expression used within each of the use-specific standards relating to the total number of rental days permitted in each Tier is consistent with their corresponding definitions. And finally, you will note, that there have been no additional regulatory standards proposed to address the issue of Accessory Dwelling Units (ADUs) being allowed to be used for STR purposes. Staff have discussed the topic and are prepared to offer an opinion on this matter as part of the upcoming work session. In summary, there is general concern that attempting to address the issue may only result in a more complicated regulatory structure with very limited benefits given the limited number of ADUs presently in existence. It may be more appropriate to react to a request to include such units with the proposed regulations by either Council or members of the public.

Aside from the changes to the draft discussed above, staff believes that the remainder of the proposed language within the document represents what, at a minimum, would be necessary to be added to the UDC to address the topic of STR. The margin notes within the draft either explain what impact a particular provision will have or a request for clarification on what staff understood the Commission's intent was with that specific provision. At this time, staff desires to discuss the content of each additional regulatory standard and gain consensus on those standards before considering structural changes to the ordinance's layout.

The attached document represents a significant accomplishment relating to this topic that would not have been possible without your commitment. It is with sincere appreciation that I thank each of you for "staying the course" in getting us here. I look forward the upcoming work session and the ensuring discussion.

Please let me know if you have questions.

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